GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:470
ANSWERED ON:08.05.2007
FTA BETWEEN INDIA AND OTHER COUNTRIES
Patil Shri Balasaheb Vikhe;Thomas Shri P.C.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to review Free Trade Agreements(FTAs) with some countries particularly Thailand and has decided to sign new FTAs with them;

(b) if so, the details thereof alongwith the reasons therefor, country-wise;

(c) whether there is any proposal for import of agricultural produce and natural rubber with zero duty or reduced customs duty;

(d) if so, the details thereof; and

(e) the steps proposed to be taken by the Government to protect the interest of farmers in case of finalisation of these Free Trade Agreements?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

a) to e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.470 FOR ANSWER ON 8TH MAY, 2007 REGARDING "FTA BETWEEN INDIA AND OTHER COUNTRIES"

(a) : There is no proposal to review Free Trade Agreements entered into by India. However, in respect of Thailand, India had signed a Framework Agreement for establishing a Free Trade Area under which an Early Harvest Scheme for 82 tariff lines has been implemented. Negotiations are currently under progress with Thailand for trade in goods, service, investment and other areas of economic cooperation.

(c), (d) & (e): There is no proposal for import of natural rubber at zero or reduced customs duty. Government, in consultation with concerned Ministries, decide on the agricultural products that need to be included in negative lists where no tariff concessions are offered. In respect of certain agricultural products, reduction in customs duties are offered taking into account the sensitivities of the Indian agricultural and the volume of trade in these products. The proposed Free Trade Agreement safeguards sensitive agricultural sectors through a Negative List as well as safeguards mechanisms against surge in imports.